

JOHNSON & GUBLER, P.C.

Attorneys

MATTHEW L. JOHNSON +
RUSSELL G. GUBLER*
ASHVEEN S. DHILLON
TIMOTHY S. CORY, OF COUNSEL

LAKE BUSINESS PARK
8831 WEST SAHARA AVENUE
LAS VEGAS, NEVADA 89117
e-mail: mjohnson@mjohnsonlaw.com

(702) 471-0065 Office
(702) 471-0075 Facsimile

*ADMITTED IN NEVADA, UTAH AND COLORADO
BOARD CERTIFIED IN BUSINESS BANKRUPTCY LAW BY THE AMERICAN BOARD OF CERTIFICATION
*ADMITTED IN UTAH AND NEVADA

May 15, 2023

Barry Cohen
21st Century Communities, Inc., FCT-MM, LLC, and FCT-SM, LLC
7065 W. Ann Road, Suite 130-683
Las Vegas, NV 89130

RE: Chapter 11 Bankruptcy Cases
Our File No: 2649-001, 2649-002, and 2649-003

Dear Barry:

Thank you for selecting Johnson & Gubler, P.C. to represent 21st Century Communities, Inc., FCT-MM, LLC, and FCT-SM, LLC (hereafter "you") in the United States Bankruptcy Court for the District of Nevada regarding the filing of new Chapter 11 bankruptcy cases for each of the above entities. Whenever we begin a new relationship with a client, we believe it is in everyone's best interest to state in writing our relationship. Set forth below are the terms of our engagement for legal services. This letter comprises our Engagement Agreement. Accordingly, please review it carefully and contact us promptly if you have any questions about this Agreement.

In establishing the attorney/client relationship, we believe it is good practice to set forth in writing the elements of our mutual understanding as to the scope of our representation, which is as follows:

Representing you as Debtors in three (3) Chapter 11 reorganizations, with the intent of either reaching a resolution with your creditors or filing a plan of reorganization. We also intend to request permission to jointly administer (and not substantively consolidate) the cases, with the primary case being 21st Century Communities, Inc. This representation includes, without limitation, preparing bankruptcy documents, filing pleadings, negotiating with counsel, meeting with you and others as necessary, preparing disclosure statements and plans of reorganization (if necessary), and providing general bankruptcy advice. We anticipate that we will file under subchapter V of Chapter 11. This will mean that there will be a Subchapter V trustee appointed to the case, and you will be responsible for paying the attorney's fees and costs of the Subchapter V trustee.

Our representation is based, in part, on your assurance that you are not currently represented by other counsel in Nevada on this matter. You agree to cooperate fully with us, be candid and honest, provide all information available to you, and authorize us to take all steps we deem advisable in representing you in this matter. In turn, we agree to competently and diligently represent you in this engagement, notify you promptly of significant developments,

and consult with you in advance about any significant decisions attendant to those developments. We have discussed the fact that you previously filed a bankruptcy case for 21st Century Communities, Inc., which was ultimately dismissed. We have discussed possible ramifications of that action. We have also discussed the fact that 21st Century Communities owns 100% of each of the other two entities, and that those entities are Tennessee entities. We have discussed the letter of intent regarding settlement of Tennessee litigation that could also affect these matters and ultimately result in dismissal of the bankruptcy case. We have also discussed the fact that to your knowledge, there is no conflict of interest between the three entities, and none of the entities is a creditor of the other to the best of your knowledge and belief.

Our fee agreement in terms of our employment are as follows:

FEES: You as client employ Johnson & Gubler, P.C. ("J&G") to represent you with respect to the above-referenced matters. You agree to pay for all services based upon J&G's hourly rate charges. The terms of this Agreement shall govern all work that has been and will be performed for you. You understand that J&G's rates are subject to change periodically. We base our fees on the hourly rate of those working on your behalf. My rate is \$425.00 per hour. The rate of other attorneys in our firm range from \$375.00 to \$450.00 per hour. Our Paralegals' rates range from \$150.00 to \$175.00 per hour. After any bankruptcy proceeding is filed, all fees will be approved by the Bankruptcy Court prior to payment into our general account. We will bill each of the three cases separately unless otherwise allowed by the Bankruptcy Court.

COSTS: You also agree to pay all costs associated with the work performed on your behalf. Costs are charges associated with items or services provided through our office, for example, photocopies, long distance telephone charges, copy charges, courier charges and postage. They also include charges billed to the firm by outside vendors or individuals, for example, deposition charges, expert witness fees, computerized legal research, court costs, and special delivery services. We will advance the costs and expenses associated with your representation except for any single item costs exceeding \$350.00 per item. For those items, we will forward the invoice to you and ask that you pay the service provider directly, or that you pay us in advance before such cost is incurred. All of our costs and expenses will be reflected on your monthly invoice.

RETAINER: The firm's practice is to request the payment of a retainer which may be held until the conclusion of the case. Accordingly, prior to the commencement of any significant work, we have requested a retainer be paid to this office in the amount of \$25,000.00 per case, or \$75,000.00, plus filing fees of \$1,738.00 per case, or \$5,214.00, for a total retainer for the three entities of **\$80,214.00**. We have agreed to commence work once you have paid this retainer in full. Once the petitions have been filed, we will seek court approval of any fees owing to us by filing regular fee applications with the Bankruptcy Court. At the conclusion of your matter, any amount remaining, if any, will be refunded to you. You understand that the retainer may not (and will most likely not) be the entire fee charged by J&G. J&G may request an additional retainer at any time, and you agree to deposit such additional sum with J&G within 15 days after the request is made, subject to Court approval.

BILLING: Professional fees, costs and expenses will be billed to you monthly. If our invoices are not paid in a timely basis, J&G reserves the right to stop working on your matters and to withdraw from any and all matters for which J&G is providing services to you, either permanently, or until a satisfactory payment arrangement has been established, at our option. In the event J&G recovers funds for you, you grant a lien on such funds to the extent of any unpaid fees or costs due to J&G.

All statements will be sent to you at the above-referenced address. The parties that will

be responsible for payment include the following individuals and entities: 21st Century Communities, Inc., FCT-MM, LLC, and FCT-SM, LLC, FCT-MM, LLC, and FCT-SM, LLC, and Barry Cohen, individually.

A one percent (1.5%) per month finance charge will be assessed on all amounts over 90 days past due. In the unlikely event that we are required to institute legal proceedings to collect fees and costs owed by you, we shall be entitled to a reasonable attorney's fee and other costs of collection. Moreover, to the extent authorized by Nevada law, we shall be entitled to retain the files involving this matter until any outstanding invoices are satisfied in full.

If you wish to ask about your billing or about the legal services which have been rendered, please call me or our Billing Department when you receive your statement. If no comment about the billing is received within fifteen (15) days of the statement date, we will assume that you have seen the bill and have approved it.

Although an opposing party may, at times agree to pay a portion of your attorney's fees, or a Court may award attorneys' fees, any such agreement or award of fees may be less than the actual attorney's fees and costs that have been incurred and are due to J&G. You agree and understand that you are responsible for all attorneys' fees and costs incurred on your behalf, and such awards or payments by opposing parties shall be considered by you as reimbursement of such fees and costs, if any. Any agreement with an opposing party or an award of attorneys' fees does not affect your obligation to pay all fees and costs under the terms of this Agreement.

RESULTS: You understand and agree that although J&G may make recommendations and projections concerning the outcome of your legal matter, that J&G has not guaranteed and cannot guarantee the results or outcome of your matter.

SETTLEMENT: J&G will not agree to any settlement without your consent.

TERMINATION: Either of us may terminate our representation if the terms of this Agreement are not honored, or for any other reason. If that happens, you agree promptly to pay all our previously incurred fees, costs and expenses.

FILE RETENTION: It is our policy to retain your files for seven (7) years after the conclusion of the matter. J&G will return to you all originals at the conclusion of your matter, and will keep a copy of your file in electronic format. At the end of the seven (7) year period, we will destroy the files. If you would like any other documents or materials returned to you, you may request them at the close of your matter.

ADDITIONAL WORK: If you request us to perform additional work on your behalf beyond the scope of this engagement, each of us agrees to be bound by the terms of this Engagement Agreement with respect to all other matters, whether or not an additional Engagement Agreement is executed.

If you disagree with any statements in this letter or fee agreement, please bring your concerns to our attention immediately, since these are the terms of our obligations to you and your obligations to us. Please acknowledge receipt of this letter, your agreement to the scope and terms of the legal services to be provided by your firm and your understanding and agreement concerning our firm's billing practices and policies, all as expressed in this letter, by signing and dating this letter where indicated below and returning the original, executed copy of this letter along with the retainer amount as set forth above to us in the enclosed, self-addressed envelope.

We are delighted to welcome you as a client and recognize the trust you place in us in retaining our services. We will do everything we can to provide you with prompt, high quality legal counsel. It is important for us to know how our clients feel about the services we provide.

If at any time you believe that we are not meeting this commitment to you, or have other questions about our relationship, please call me personally. We look forward to serving you.




Very truly yours,

Johnson & Gubler, P.C.



Matthew L. Johnson
For the Firm

Acknowledged and agreed (a facsimile or copy shall be as valid as an original):


21st Century Communities, Inc.
By: Barry Cohen, President
FCT-MM, LLC
By: Barry Cohen, President, 21st Century Communities, Inc.,
Sole Member
FCT-SM, LLC
By: Barry Cohen, President, 21st Century Communities, Inc.,
Sole Member
Barry Cohen, Individual